



CalSavers for Employers 2022

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CalSavers Retirement Savings Program is a relatively new retirement program required for California businesses. The requirement to be enrolled with CalSavers is **already in place** (as of June 30, 2021) for businesses with 50 or more employees. The requirement applies to any business with 5 or more employees effective June 30, 2022. **If you are an employer who has 5 or more employees, please ensure you are compliant with the new requirements.** California announced in January 2022 that they are beginning to enforce the CalSavers requirement. Failure to follow the CalSavers requirements can result in substantial Franchise Tax Board (FTB) enforced penalties, currently up to \$750 per employee. If you have not registered on the CalSavers website, please do so as soon as possible.

CalSavers is a California mandate to make sure more Californians have access to a retirement plan through work. The program implements a minimum required auto-enrollment program for employers to fund a new state run retirement program unless employees individually “Opt Out” of the program. Employers such as yourself often implement their own company retirement plans with options that fit their employees better than the CalSavers program.

Note: even if you have your own retirement plan in place now, you still need to register with the CalSavers website.

If your company does not already have its own retirement plan and you wish to check alternatives to the CalSavers plan, you should reach out to your Financial Advisor or Tax Advisor for additional information. Attached to this notice is a summary of the most popular defined contribution plans. There are other alternatives and plan variations that may fit your situation even better. Your Financial Advisor with *The Advisory Group* is here to help you sort out what works well for you.

To get started with CalSavers, go to the CalSavers Retirement Savings Program website, www.CalSavers.com. You will need your CalSavers Access Code – which you should have received in the mail. If you don’t have that, you can request it through this website.

When you reach this website, just below the CalSavers medallion is a dropdown box for **Employers**. Click that so it drops down and select **Getting Started**. That will bring up a new webpage, **Welcome to CalSavers**. Next to the photo of a smiling associate, there is a box titled **GET STARTED HERE**. Right below the title is another dropdown box for you to select what you need to do. If you have not previously registered, start with **I need to register my business**.

How you proceed from there, will depend on you and your company's situation. Your payroll company, your tax advisor, and your financial advisor are resources you may want to have help you with the process.

We know that these are challenging times and we are here to help you. Please reach out to The Advisory Group's Client Concierge, Melinda Smith, and set up a time for you and your TAG Advisor to review your needs and assist you in finding the solution that fits your needs.

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